

DIRECTIVE

WELFARE-TO-WORK

Number: WD99-3

Date: February 17, 1999

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
COUNTY WELFARE DEPARTMENT DIRECTORS
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
EDD EXECUTIVE STAFF
WORKFORCE DEVELOPMENT BRANCH STAFF
WELFARE-TO-WORK 15 PERCENT SUBGRANTEES

SUBJECT: BENCHMARKS AND SUBGRANT AVAILABILITY - WtW 15 PERCENT

EXECUTIVE SUMMARY:

Purpose:

This directive provides procedures for developing and reporting program benchmarks to establish availability of subgrant funds. This directive is specifically for the federal Welfare-to-Work (WtW) 15 percent Grant Program including the Governor's 15 percent and Regional Collaboratives.

Scope:

This directive applies to all subgrantees of WtW 15 percent grant funds.

Effective Date:

This directive is effective upon release.

REFERENCES:

- Assembly Bill (AB) 382, Chapter 6, Statutes of 1998, California Unemployment Insurance Code 10,000
- Office of Management and Budget Circulars A-110 and A-102
- Department of Treasury regulations 31 Code of Federal Regulation (CFR) part 205
- WD99-2, Cash Management for 15 Percent Grantees, February 17, 1999

STATE-IMPOSED REQUIREMENTS:

This document contains only state-imposed requirements.

FILING INSTRUCTIONS:

This directive finalizes draft directive WDD-1, issued for comment on November 12, 1998. Retain this directive until further notice.

BACKGROUND:

In March 1998, the California Legislature passed AB 382 which enacts provisions implementing the formula WtW program in California. The AB 382 states that the Governor shall distribute the 15 percent funds to state and local projects that will assist in moving eligible participants into unsubsidized employment and that payment of these funds shall be contingent upon performance outcomes.

The WtW 15 percent subgrantees will develop local program benchmarks which will establish a schedule for release of subgrant funds. Upon achievement of a benchmark, a specified amount of the subgrant will be available for expenditure. In order to accommodate cash flow needs and minimize any hardship for subgrantees, a monthly/quarterly system for reporting benchmarks and generating subgrant availability has been established.

POLICY AND PROCEDURES:

Definitions

Immediate cash need is the cash needed for the next three working days to cover drafts issued or payments due within that time.

Planned benchmarks

Quarterly/monthly benchmarks are negotiated with each individual subgrantee and incorporated into the subgrant using the Planned Benchmark and Subgrant Availability Schedule (Attachment 1). A dollar value is assigned to each benchmark and should be closely associated with the monthly plan of expenditures. Subgrant funds will be made available based on successful achievement of a planned benchmark. Allowance is made for the first month's initial cash needs that may be requested without achievement of a benchmark. Initial cash needs include items such as staff wages and benefits, equipment, participant wages and benefits, etc. Flexibility is provided in the first quarter of the program to allow for monthly benchmarks. After the first quarter, subgrantees must plan for quarterly benchmarks.

Program benchmarks will be dependent on the project activity and must be measurable. Examples of benchmarks include participant enrollments, hiring of staff, development of software, etc.

Process for reporting achievement of a benchmark

Except for the first month's initial cash needs, subgrant funds are not available until the subgrantee successfully completes a planned benchmark. Achievement of benchmarks is reported on the WtW Benchmarks and Subgrant Availability Report (Attachment 2). This report can be submitted at any time when a planned benchmark has been achieved. All reported benchmark achievements will be subject to verification.

Your assigned program manager is responsible for reviewing and approving the amount of subgrant funds available for release to meet cash needs. A completed Benchmark and Subgrant Availability Report can be faxed to your assigned program manager. However, an original signature hard copy must also be mailed.

Process for requesting cash

Submission of the Benchmark and Subgrant Availability Report alone will not result in the disbursement of funds to the subgrantee. Separate cash requests must be submitted in accordance with WtW WD99-2 cash management procedures and Department of Treasury regulations at 31 CFR part 205.

Upon achievement of a benchmark and approval of subgrant availability, subgrantees may request cash at any time following the procedures outlined in WtW WD99-2. Achievement of benchmarks does not constitute having earned the allowable payment

amounts. Only actual allowable costs incurred will be paid. Cash requests must be based on immediate cash needs.

The assigned program manager will be responsible for processing and approving cash requests up to the amount of the most recently approved Benchmark and Subgrant Availability Report. The timing and amount of cash requests shall be as close as is administratively feasible to the actual disbursements by the subgrantee.

Modification of benchmarks

Benchmarks can be modified by submitting a letter to your assigned program manager. The letter must contain justification for the change and a revised Planned Benchmarks and Subgrant Availability Schedule.

If modification is for changing completion dates or minor changes to benchmarks, approval will be accomplished through a letter signed by the Job Training Partnership Division Assistant Deputy Director.

If modification is substantial and affects participant enrollments, expenditure plan or budget, approval will be accomplished through a modification to the subgrant.

ACTION:

Bring this directive to the attention of all affected staff.

INQUIRIES:

If you have any questions, please contact your assigned program manager at (916) 654-7799.

/S/ BILL BURKE

Assistant Deputy Director

Attachments

**WELFARE-TO-WORK
PLANNED BENCHMARKS AND SUBGRANT AVAILABILITY SCHEDULE**

A. Project Type: WtW Governor's 15 Percent ☒ **WtW Regional Collaborative** ☐

B. Subgrantee:

C. Subgrant Information: Subgrant No.: _____ Initial Plan: ☐ Mod. No.: _____

D. Planned Benchmarks and Subgrant Availability

Month/ Quarter Ending Date	Benchmarks	Planned Achievement Date	Amount of Subgrant Available	STATE USE ONLY Date bench- mark achieved
	Initial cash needs			
E. TOTAL				

INSTRUCTIONS FOR WtW PLANNED BENCHMARKS AND SUBGRANT AVAILABILITY SCHEDULE

- A. Project Type** - Check the appropriate project type: WtW Governor's 15 percent or WtW Regional Collaboratives.
- B. Subgrantee** – Enter the name of the program operator.
- C. Subgrant Information** – Enter the seven-digit subgrant number for your project. If this is the first plan you have submitted, check the initial plan box. If this is a modification to an existing plan, enter the number of the modification. For example, if this is the first change made after approval of the initial plan, the modification number would be one.
- D. Planned Benchmarks and Subgrant Availability Schedule** – Enter the amount of initial cash need. These funds will be available without meeting a benchmark and are for start-up costs such as staff wages, benefits, equipment, etc. Enter the ending dates of the months or quarters for which you are planning to achieve benchmarks. Enter the benchmark as negotiated with your program manager. Enter the planned achievement date and the amount of the subgrant available for each benchmark. The planned subgrant amount is not cumulative and should reflect estimated expenditures for each month/quarter. Achieving a benchmark does not constitute having earned the allowable payment amount. Only actual allowable costs incurred will be paid.
- E. Total** – Enter the total of all the planned dollars authorized for achievement of each benchmark. This amount must equal the total funds available in the subgrant.

WELFARE-TO-WORK BENCHMARKS AND SUBGRANT AVAILABILITY REPORT

A. Project Type: WtW Governor's 15 Percent ☐ WtW Regional Collaborative ☐

B. Subgrantee: _____

C. Contact Person: _____ Phone No: _____

D. Grant Code: _____ Subgrant No: _____ Date: _____

E. Benchmark Achievement and Subgrant Availability

Benchmark	Planned Achievement Date	Date Achieved	Amount of Subgrant Available
			\$
			\$
			\$

F. Total subgrant funds requested for availability. \$

G. Prior amount of subgrant funds available. \$

H. Total subgrant funds available (F + G). \$

I. Comments:

J. **Certification:** I certify to the best of my knowledge and belief that this report is correct and that all outlays are for the purpose set forth in the subgrant.

Name	Title	Signature
Phone Number	Date	

State Use Only

Program Manager Approval Yes ☐ No ☐ Signature: _____

Total subgrant funds authorized to date \$ _____ Date: _____

INSTRUCTIONS FOR WtW BENCHMARKS AND SUBGRANT AVAILABILITY REPORT

- A. Project Type** - Check the appropriate project type: WtW Governor's 15 percent or WtW Regional Collaborative.
- B. Subgrantee** - Enter the name of the program operator.
- C. Contact Person** - Enter the name and phone number of the person to provide information regarding the report.
- D. Grant Code, Subgrant Number.** - Enter the assigned three-digit grant code and the seven-digit subgrant number for your project. Enter the date you complete the report.
- E. Benchmark Achievement and Subgrant Availability** - Enter the planned benchmark and the planned achievement date from the most current subgrant. Enter the date the benchmark was actually achieved and the amount of grant funds available for the benchmark as approved in the most current subgrant. Space is provided for achievement of multiple benchmarks. Achieving a benchmark does not constitute having earned the allowable payment amount. Only actual allowable costs incurred will be paid.
- F. Total subgrant funds requested for availability** - Enter the sum of fund availability requested in this report.
- G. Prior amount of subgrant funds available** - Enter the total amount of subgrant funds available prior to this report.
- H. Total subgrant funds available** - Enter the sum of total subgrant funds requested for availability and the prior amount of subgrant funds available (line F + line G).
- I. Comments** - Provide any comments relative to the request or achievement of the benchmarks.
- J. Certification** - Enter the name, title, and phone number of the person responsible for certifying that the report is correct and that the claimed benchmarks have been achieved. The responsible person must sign and date the report.

REPORT SUBMITTAL INSTRUCTIONS

WtW Governor's 15 Percent

Job Training Partnership Division
Welfare-to-Work Coordination Unit
P. O. Box 826880, MIC 69-1
Sacramento, CA 94280-0001
Fax (916) 654-7921

WtW Regional Collaborative

Job Training Partnership Division
Program Management Section
P. O. Box 826880, MIC 69-1
Sacramento, CA 94280-0001
Fax (916) 653-2467